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UNCLAS RANGOON 000165

SIPDIS

SENSITIVE

STATE FOR EAP/BCLTV, EB, CA COMMERCE FOR ITA JEAN KELLY TREASURY FOR OASIA JEFF NEIL USPACOM FOR FPA

E.O. 12958: N/A
TAGS: <u>EIND CASC</u> <u>ECON BM</u>
SUBJECT: BURMA'S TOURIST SECTOR: LIES, DAMN LIES, AND STATISTICS

11. (SBU) Summary: Can there really have been 500,000 foreign tourists, including 15,000 Americans, in Burma last year? Despite the GOB's triumphant claims, we think not. Evidence from the local tourism industry, the Embassy's Consular Section, and a measure of plain common sense, suggest a much smaller number of U.S. tourists. End summary.

Americans Flocking to Burma?

- 12. (U) The Burmese Ministry of Hotels and Tourism (MOHT) recently trumpeted a victory for the 2002 tourist season. The country, so the Ministry claimed, finally achieved the long sought after goal of 500,000 foreign visitors. Because of severe shortages of flight capacity, and the very limited tourist season, we are dubious of the overall numbers. However, even if we take them at face value they are not as impressive as they initially seem. According to MOHT accounts, there were 270,000 entries by travelers from China, Thailand, Laos, and India who crossed the border by land for a day or two. Of the remaining 230,000 visitors, 218,000 came by air from other Asian countries (including 23,000 from Taiwan and 21,000 from Japan).
- 13. (U) The Ministry also took much pleasure in announcing an alleged increase in U.S. visitors to Burma. One of the regime's newspapers, The Myanmar Times, reported, "Surprisingly give (sic) the U.S. Government's harsh stance on Myanmar; it was American tourists who visited most frequently from the western nations" (about 14,500 entries in 2002 according to the MOHT). Though this number is still less than 3 percent of all purported visitors to Burma, it would indicate a sharp increase in U.S. tourism to Burma over the last three years.

Wishful Thinking

- 14. (SBU) Though we have no way to conclusively verify or disprove the MOHT's claims, we are very skeptical. Tourism from Europe may have increased, due to expanded flight capacity in 2002 from Italy and Austria. However, tourism industry sources here say that the Burmese government has been known to inflate the number of western tourist entries for reasons of national pride and in order to bolster claims of respectability. Another possibility is that the MOHT statistics were taken wholesale from the Immigration Service with no effort to break them down by the visitors' status or length of stay. Therefore U.S. passport holders who are long-term residents of Burma would be counted as one "visitor" each time they re-entered the country.
- 15. (SBU) The Embassy's consular statistics tend to bear out these assumptions. Only a couple of hundred U.S. citizens registered at the Embassy in 2002 (a small percentage of the alleged 14,500 at a time when U.S. travelers are eager to register when they travel abroad). In 2002 there was only a single death of a U.S. citizen tourist, no arrests of U.S. tourists, about 20 welfare/whereabouts cases involving short-term U.S. visitors, and only four U.S. tourists seeking a replacement passport. If the 14,500 number were accurate, these low consular data would make Burma a statistical anomaly in the consular world.

How Many Then?

16. (SBU) The accurate number of U.S. tourists, and overall visitors to Burma, is impossible to know. For evacuation purposes, the Embassy recently made a very generous estimate of 10,000 U.S. tourists in Burma during 2002. Anecdotal evidence from hoteliers and travel agents in Rangoon suggests an even lower figure of around 7,000 or 8,000. Whatever the true number of tourists, it is even less important than the small number the GOB claims. In any case, the plain fact is that U.S. tourism contributes very little to the Burmese economy.

Martinez